SURFACE TRANSPORTATION BOARD Washington, DC 20423

Office of Environmental Analysis

November 4, 2011

Re: Finance Docket 30186, Tongue River Railroad

Dear Consulting Party:

I am writing to update you on recent developments with regard to the Tongue River Railroad Company (TRRC) rail line construction, and to reinitiate the Section 106 process pursuant to Section 800.14 of the regulations (36 C.F.R. Part 800) implementing Section 106 of the National Historic Preservation Act (NHPA), 16 U.S.C. 470f.

As you may recall, we had met with the Tribes June 21-23, 2011 in Rapid City, South Dakota and had scheduled a site visit to the Wolf Mountains Battlefield National Historic Landmark. The meeting was postponed and then cancelled after we were informed that, on July 1, 2011, TRRC was sold to Tongue River Holding Company, LLC (a company consisting of three owners: BNSF, Arch Coal, and a non-rail private investment entity).

TRRC has now advised us that it does not intend, at this time, to construct the southern portion (south of Ashland area) of the rail line that was approved by the Surface Transportation Board (STB) in Tongue River II and Tongue River III. Rather, TRRC has told us that it currently plans to construct only the rail line approved by STB in Tongue River I. The Tongue River I rail line would extend from Miles City to two termination points just past Ashland at the Montco Mine and Otter Creek tracts. Enclosed please find a map and description of the Tongue River I rail line recently sent to us by TRRC.

One of the subjects that we would like to discuss with you during the consultation process is how you feel about the STB moving forward with a Programmatic Agreement on Tongue River I alone. Also, be aware that construction of this alignment would be much shorter and would not affect the Wolf Mountains Battlefield National Historic Landmark.

Also enclosed to this letter is a proposed schedule with milestones. We would like to hold a tribal consultation meeting (weather permitting) early next year, possibly in Rapid City. Again, the timing and location of the meeting are things that we need to discuss as a group. We would extend invitations for all Section 106 consulting parties to participate. As part of our consultation efforts, we intend to invite comment from all the consulting parties with an eye

toward drafting an appropriate new Programmatic Agreement that would address the concerns of all the consulting parties.

We look forward to consulting with you. Please advise us if you no longer wish to participate in Section 106 consultations for this project. We welcome any general comments you may have regarding STB's Section 106 review process for this project, including our planned time line. Please contact Catherine Glidden at 202-245-0293 or gliddenc@stb.dot.gov with any questions or comments. Mail deliveries may be addressed to:

Catherine Glidden
Surface Transportation Board
Office of Environmental Analysis
395 E St. SW
Washington, DC 20423

Thank you for your interest in this project and your participation in STB's Section 106 process. We look forward to consulting with you.

Sincerely,

Victoria Rutson

Director

Office of Environmental Analysis

Attachments: map, project description, time line



Tongue River Railroad Updates Catherine Glidden

to:

brhodd1, clairsgreen, esevone1, cultres, hubertt, jmswhitted, jb.weston, ostbbrd, gravattlana, ostnrranrd, rickthomas_06, rstthpo, robertcampbell2005, steve.vance, mentz_tim, wandawells, wyoung, ostnrrathpo, Dennis Watson, conrad.fisher, curley_up, dyandancer, pcoffey, fjackson005, lowersioux, scottl, leroy.spang, joe.foxjr, culturalresources, brandonsazue, christine_whitacre, ngabriel, dlanders, douglas_melton, rebecca.j.shipman, James.L.Winters, Todd.N.Tillinger, Shannon.L.Johnson, laxline, rose, swilmoth, lisa.baete, cvaughn, David Coburn 11/04/2011 11:08 AM

Cc:

Vicki Rutson, Kenneth Blodgett, Evelyn Kitay, Lucille Marvin Hide Details

From: Catherine Glidden/STB Sort List...

To: brhodd1@yahoo.com, clairsgreen@yahoo.com, esevone1@yahoo.com, cultres@nemontel.net, hubertt@crownations.net, jmswhitted@yahoo.com, jb.weston@fsst.org, ostbbrd@gwtc.net, gravattlana@yahoo.com, ostnrranrd@gwtc.net, rickthomas_06@yahoo.com, rstthpo@yahoo.com, robertcampbell2005@yahoo.com, steve.vance@crst-nsn.gov, mentz_tim@yahoo.com, wandawells@midstatesd.net, wyoung@standingrock.org, ostnrrathpo@gwtc.net, Dennis Watson/STB@STB, conrad.fisher@cheyennenation.com, curley_up@yahoo.com, dyandancer@yahoo.com, pcoffey@mhanation.com, fjackson005@yahoo.com, lowersioux@mnhs.org, scottl@uppersiouxcommunity-nsn.gov, leroy.spang@cheyennenation.com, joe.foxjr@cheyennenation.com, culturalresources@shakopeedakota.org, brandonsazue@hotmail.com, christine_whitacre@nps.gov, ngabriel@achp.gov, dlanders@mt.blm.gov, douglas_melton@blm.gov, rebecca.j.shipman@usace.army.mlaxil, James.L.Winters@usace.army.mil, Todd.N.Tillinger@usace.army.mil, Shannon.L.Johnson@usace.army.mil, laxline@mt.gov, rose@northernplains.org, swilmoth@mt.gov, lisa.baete@ars.usda.gov, cvaughn@achp.gov, David Coburn

Cc: Vicki Rutson/STB@STB, Kenneth Blodgett/STB@STB, Evelyn Kitay/STB@STB, Lucille Marvin/STB@STB

History: This message has been replied to and forwarded.

4 Attachments







map.pdf TRR I PA reinitiation letter.docx Timeline 11-3-11.doc TRRC description.doc

Greetings:

Attached is a letter from the Surface Transportation Board's Office of Environmental Analysis Director, Victoria Rutson, that provides information on recent developments regarding Tongue River Railroad Company's (TRRC) rail line construction and the Section 106 process. I have also included the following attachments to assist you in your review.

- 1. Map of Project Area
- 2. Description of Project Area
- 3. Proposed Timeline for PA Development Process

We plan on holding a conference call for all current TRRC Section 106 consulting parties on Thursday, November 17, at 9am Mountain, 10am Central, 11am Eastern. The purpose of the call will be to address any concerns that you may have regarding the current plans for moving forward and to field any suggestions. If this day and time do not work for you, please let me know and we will attempt to set up an alternative day and time for those who cannot participate in the call on November 17. Please copy Kenneth Blodgett at blodgettk@stb.dot.gov on any emails as I will be on travel next week. However, I will still be checking my emails and taking calls while I am away. My cell phone number is 240-446-5086.

The conference call call-in number is 877-336-1828. The access code is 4773570.

Thanks!

-Cathy

Catherine Glidden **Environmental Protection Specialist** Office of Environmental Analysis Surface Transportation Board Washington, DC 20423 (202) 245-0293

Proposed Target Dates for Tongue River Consultation Process

Week of November 14, 2011 – Conference call with Section 106 PA consulting parties to discuss initiation of the Section 106 process.

January 2012 – Tribal consultation meeting, probably in Rapid City, South Dakota. All Section 106 PA consulting parties invited.

January - March 2012 – STB drafts new PA based on comments received from tribal consultation meeting and other available information.

March 31, 2012 – STB distributes Draft PA for Tongue River I to all Section 106 consulting parties for review.

April 30, 2012 – Comments due from Section 106 consulting parties on Draft PA.

May 2012 – STB revises Draft PA based on comments received, and distributes revised PA to Section 106 consulting parties.

May / June 2012 – Tribal consultation meeting and site visit to discuss revised PA and receive new comments. All Section 106 PA consulting parties included.

July / August 2012 - STB revises PA based on new comments received, if any.

September 2012 – STB distributes final revised PA to Section 106 consulting parties for review.

October 2012 – Execution of final PA.

Description of Tongue River Railroad Line Between Miles City and Ashland/Otter Creek Area

(submitted by TRRC on 10/25/11)

At its northern terminus, the line would commence at an interchange with the BNSF line at a point on the west side of Miles City, MT. The line would parallel the Tongue River on the west side of the River for approximately 59 miles, at which point the line would cross the River and parallel it on the east side of the River to the Ashland/Otter Creek area. Just southeast of Ashland, MT, the line will split. The western leg would proceed to Terminus Point 1, which is approximately 7.5 miles southwest of Ashland, near the site of the formerly planned Montco mine. The eastern leg of the line would proceed southeast paralleling the Otter Creek drainage for a distance of approximately 5.5 miles to the area of the Otter Creek coal tracts, where Terminus Point 2 would be located.

The total distance of the line between Miles City and Terminus Point 1 would be approximately 77.3 miles. The southernmost approximately 15.8 miles of the line ending at Terminus Point 1 would follow a route parallel to the eastern boundary of the Northern Cheyenne Indian Reservation, but across the Tongue River from the Reservation and thus outside the boundary of the Reservation.

